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HOUSEKEEPERS' CHAT

Thursday, December 2, 1937

(FOR BROADCAST USE ONLY)

Subject: "ECHOES FROM THE OUTLOOK CONFERENCE." Information from the Bureaus of Agricultural Economics and Home Economics, and the Extension Service of the U. S. Department of Agriculture.

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Homemakers, if you live in a rural area, you don't need to consult a fortune teller or a crystal gazer to get a line on what 1938 holds for you, and what you must do about it. The U. S. Department of Agriculture and your State extension service will gladly help you take a look into the future, and very likely make some suggestions as to how you can use what you learn to the advantage of your family.

Perhaps you remember that our Washington correspondent mentioned the Outlook Conference a few weeks ago, when it was in session. For several years past, the Bureaus of Agricultural Economics and Home Economics have gathered in the fall economic data and other material bearing on the farm outlook and the factors that will affect farm family living.

Extension workers from a great many States meet with the economists from these two bureaus to discuss these reports as they apply to different regions of the country. Then they return to their own States and report to the women in home demonstration clubs and rural communities what the outlook is and how it can be used in the next year's plans.

Today I have before me a summary of these discussions, entitled "The Outlook for Farm Family Living in 1938." I am sure many of you will be interested in this report, whether or not you have also heard what your extension leaders had to say on the subject.

You understand, of course, that the prospect of higher or lower prices for farm products is only one factor that determines how much farm people will have to spend for the family living next year. First, production expenses have to be met. Seed, feed, fertilizer, equipment, and other farming costs may not leave much over for family living. On this point the report I have here says:

"Total income from farm marketings in 1938 may be somewhat lower than in 1937..... The expenses of production in 1938 are likely to be slightly higher than in 1937, because of rising wage rates and increased prices for many materials used in production. Consequently, the net money returns.....probably will be smaller in 1938 than in 1937.

"The amount of goods and services which a given amount of cash will provide for family living -- that is, the purchasing power of this money income -- depends on price levels. Retail prices of some commodities, such as automobiles,

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furniture, furnishings, shoes, and fuel, may increase somewhat in 1938. Lower retail prices for some foods and perhaps cotton and rayon clothing will tend to offset these price increases, so that the total living costs of farm families probably will not change greatly in 1938, unless there is a marked change in the general price level."

Well, that sounds encouraging to me. I notice that the economists recommend calling a family council to take a long look ahead and draw up a spending plan, based on last year's money outlay, if accounts were kept. Or if accounts were not kept, perhaps an estimated plan can be made. This plan will have to take into consideration the slightly lower money income the economists predict, and the slight increase in prices of some of the things that will have to be bought in 1938.

The point that emerged most definitely from the Outlook Conference was that since many 1938 purchases may cost more, and since farm income for family living may be lower, there should be more food than ever produced and preserved for home use. This will release cash otherwise required for food, to spend for items that cannot be produced at home. The family benefits in another way. It has better food, with more variety and more protection.

Stove wood and soap are two other products which the farm often supplies without cash expenditure. In some parts of the country home-grown cotton is used for mattresses and comfortables, wool is available for blankets and quilts, and leather hides furnish the material for harness and other uses, saving cash outlay.

If you live in a community where the expansion of rural electric lines is being discussed, you may be interested in some comments on that point which I found in this report:

"It seems safe to assume," the report says, "that some of the available income next year will be devoted to purchases of electric power and equipment. It is estimated that 1,125,000 farms will be receiving electric service in one way or another by the end of 1937. R.E.A. projects will help 150,000 additional farms to become electrified, and private utilities have lines under construction which will add 75,000 more."

One of the most striking changes that has emerged from the studies of farm family living up to the present part of 1937, is the fact that the automobile is no longer regarded as a luxury. It has moved up to second place in the budgets of many rural homes. Food ranks first in these cases, as in most family budgets, then automobile expense, with running expenses and clothing taking a smaller relative slice of the family living.

The report I have been quoting says: "This change in the rank of automobile expense is significant for farm family living. It must mean less isolation, more group discussions of agricultural problems by farm men and women, and, in general, a better rounded, more satisfying life."

Next time, homemakers, I shall give you a glimpse of the way in which various groups of women are applying Outlook information to their own problems.

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